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STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple - Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801 Telephone: (801) 538-5291 Fax: (801) 359-3940 RECEIVED

JAN 3 1 2012 DIV. OF OIL, GAS & MINING

LARGE MINING OPERATIONS 2011 PROGRESS REPORT January 1, 2011 to December 31, 2011

The information required in this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, and the rules as under the Utah Minerals Regulatory Program.

- 1. Mine Permit Number: *M/035/0009*
- 2. Mine Name: Barneys Canyon
- 3. Name of Operator/Permittee: *Kennecott Utah Copper LLC (KUC) Barneys Canyon Mine*Note: If Operator's address, company representative or phone number have changed, please provide a replacement page for the Notice of Intention.
- 4. Mine Location:

S1/2 SW1/4, Section 17;

N1/2 NW1/4, W1/2 NE1/4, SE1/4 NE1/4, E1/2 SE1/4 Section 20;

SW1/4 SW1/4, Section 21;

W1/4 NW1/4, Section 28;

NE1/4 NE1/4, Section 29;

Township 3 South, Range 3 West

5. Report the gross amount of ore mined and waste moved, and the disposition of the materials (onsite stockpiles, sold, waste pile, regraded, etc.):

Gross Ore Mined	0	Tons
Waste Material Moved	0	Tons
New Disturbance	0	Acres during 2011
Area Reclaimed	0	Acres during 2011
Total Disturbed Area	306	Acres*

^{*}Total mine disturbance from the beginning of mining operations through the end of 2011.

Was the ore shipped off site? If not, where is the ore located?

No ore was generated in 2011, however 21,740 tons of sulfide stockpile material was shipped off site for processing.

Where is the waste located?

All waste (i.e. waste rock) is located on site.

6. Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested. (Submit form MR-SITE for an application for full or partial bond/site release).

No reclamation work was performed during the past year. Primarily the disturbed acreage remaining at Barneys Canyon includes the five heap leach pads, leach solution ponds, ore processing building and sulfide ore stockpile.

7. Include an updated map depicting surface disturbance and reclamation performed during the year, prepared in accordance with Rule R647-4-105.

No new surface disturbances or reclamation was performed in 2011.

I hereby certify, under penalties of law, the information provided in this report is true and correct to the best of my knowledge and belief.

Name (Typed or Print): Ray Gottling

Title of Operator: Operations Manage)

Signature of Operator:

Date: January 27, 2012

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Barneys Canyon Mining Company P.O. Box 3111 Bingham Canyon, Utah 84006 USA T 801-569-7110

Ray Gottling

Operations Manager Barneys Canyon Mine JAN 3 1 2012

DIV. OF OIL, GAS & MINING

Mr. Paul Baker, Minerals Program Manager Division of Oil, Gas & Mining Utah Department of Natural Resources 1594 West North Temple, Suite 1210 P.O. Box 145801 Salt Lake City, Utah 84114-5801

January 27, 2012

Attn: Ms. Leslie Heppler

Re: Large Mining Operations 2011 Progress Report

January 1, 2011 to December 31, 2011

M/035/0009

Barneys Canyon Mine

Ray Hottling

Dear Mr. Baker:

Please find attached Form MR-AR for permit number M/035/0009, Barneys Canyon Mine.

If you have any questions about these annual reports, please contact me at 801.569.7110.

Sincerely,

Ray Gottling

C: Dana Dean (UDOGM)